

MDL 1570 PLAINTIFFS' EXECUTIVE COMMITTEES

In re: Terrorist Attacks on September 11, 2001 (S.D.N.Y.)

| Plaintiffs' Executive Committee for Personal Injury and Death Claims | Plaintiffs' Executive Committee for Commercial Claims |
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VIA ECF

May 15, 2015

The Honorable Frank Maas
United States District Court
Southern District of New York
Daniel Patrick Moynihan U.S. Courthouse
500 Pearl Street, Room 740
New York, NY 10007

Re: *In Re: Terrorist Attacks on September 11, 2001*, 03 MDL 1570 (GBD) (FM)

Dear Judge Maas:

During the discovery conference on May 13, 2015, Your Honor asked Mr. Kabat, counsel for al Haramain Islamic Foundation USA (AHIF USA), to provide an estimate of the current value of AHIF USA's blocked assets. In response, Mr. Kabat indicated that he has been unable to obtain a precise accounting of the value of the remaining blocked assets from the Treasury Department's Office of Foreign Assets Control (OFAC), but estimated the value of those assets to be approximately \$250,000.

In light of the Court's inquiry concerning the extent of AHIF USA's blocked assets, plaintiffs reviewed available records and determined the following details concerning the nature and status of AHIF USA's blocked assets:

1. *Proceeds from sale of Ashland, Oregon real property.* At the time of its designation, AHIF USA owned a home in Ashland, Oregon, where AHIF USA's offices had been located. In 2005, OFAC issued a license authorizing the sale of the home, which required

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that any proceeds from the sale be deposited in a blocked asset account.¹ According to public reporting, the home sold for **\$443,000** in 2006.²

2. *Real property in Springfield, Missouri.* AHIF USA purchased certain real property in Springfield, Missouri in 2000 for **\$375,000**.³ It is plaintiffs' understanding that AHIF USA still owns the Springfield, Missouri property, subject to an OFAC blocking order. The present value of the property is unknown.

3. *Blocked funds.* According the declarations of Treasury Department officials, AHIF USA funds in the amount of **\$20,310** were blocked in accordance with OFAC's blocking orders.⁴

Based on the foregoing, and using the available valuations for the real property in issue, the total value of AHIF USA assets blocked by OFAC at one time exceeded **\$838,000**.

Several factors would have impacted the value of AHIF USA's blocked assets over recent years. For instance, plaintiffs understand that OFAC has issued licenses authorizing distributions from the blocked accounts for certain purposes, potentially to include the payment of certain attorneys' fees associated with the representation of AHIF USA. *See* Szubin Declaration, Exhibit 1, at pp. 28-30. Such distributions would have diminished the aggregate value of AHIF USA's blocked assets. On the other hand, the value of the Springfield, Missouri property, which was purchased for \$375,000 in 2000 and is still owned by AHIF USA, may have increased over the years since its purchase.

Respectfully submitted,

/s/ Sean P. Carter

Sean P. Carter, Esq.

THE MDL 1570 PLAINTIFFS' EXECUTIVE
COMMITTEES

SPC/bdw

cc: The Honorable George B. Daniels (via ECF and Federal Express)
MDL-1570 Counsel of Record (via ECF)

¹ *See* Declaration of Adam J. Szubin, Director of Office of Foreign Assets Control (Szubin Declaration), Exhibit 1 hereto, at pp. 26-28.

² *See* "Seda Home Sold," Mail Tribune, May 5, 2006, Exhibit 2 hereto.

³ *See* Szubin Declaration, Exhibit 1, at p. 26; HUD-1 Settlement Statement for 2151 East Division, Springfield, Missouri, June 23, 2000, Exhibit 3 hereto.

⁴ *See* Szubin Declaration, Exhibit 1, at p. 28.